

2009 DRAFTING REQUEST

Senate Substitute Amendment (SSA-SB296)

Received: 10/15/2009

Received By: rkite

Wanted: As time permits

Identical to LRB:

For: Julie Lassa (608) 266-3123

By/Representing: Danielle Wilson

This file may be shown to any legislator: NO

Drafter: rkite

May Contact:

Addl. Drafters:

Subject: Nat. Res. - parks and forestry

Extra Copies:

Submit via email: YES

Requester's email: Sen.Lassa@legis.wisconsin.gov

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Procedure and eligibility of extensions of MFL orders

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
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	jkreye 10/29/2009			_____			
	jkreye 10/29/2009			_____			
/P1	rkite 10/30/2009	jdyer 11/16/2009	jfrantze 11/16/2009	_____	sbasford 11/16/2009		

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/P2	rkite 11/30/2009	jdyer 12/01/2009	jfrantze 12/01/2009	_____	lparisi 12/01/2009		
/P3	rkite 01/05/2010	jdyer 01/05/2010	mduchek 01/06/2010	_____	mbarman 01/06/2010		
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[Signature] *[Signature]*

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May Contact:

Addl. Drafters:

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Extra Copies:

Submit via email: **YES**

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FE Sent For:							

11/16
<END>

Gibson-Glass, Mary

From: Wilson, Danielle
Sent: Thursday, October 15, 2009 10:27 AM
To: Gibson-Glass, Mary
Subject: FW: Amendment to SB 296

*Permission to talk to
Larry Konopacki &
Quinn Williams*

Hi Mary,

Below is the suggested language from the DNR that Senator Lassa would like to be drafted as an amendment to SB 296. If you have any questions, please feel free to let me know.

Also, as an FYI, the DNR thought that the language may be more appropriate under 77.82(4). I will leave that to your discretion.

Thank you for your help!

Danielle Wilson

Office of Senator Julie Lassa
P.O. Box 7882
Madison, WI 53707-7882
(608) 266-3123
danielle.wilson@legis.wisconsin.gov

From: Nelson, Kathryn J - DNR [mailto:Kathryn.Nelson@Wisconsin.gov]
Sent: Thursday, October 15, 2009 9:56 AM
To: Wilson, Danielle
Cc: Williams, Quinn L - DNR
Subject: Amendment to SB 296

Good Morning Danielle,

I appreciate the time you and Senator Lassa took to meet with Quinn Williams and me yesterday and to discuss amendments to SB 296. Here is some proposed wording that the department feels could be incorporated into SB 296.

I believe that this should be placed under 77.82 (4) (xxxx) after (4m), which talks about conversions. This area of the statute would be a reasonable place for people to look at when determining the types of petitions that landowners can make when entering lands under the MFL program. Please let me know if you have questions.

 *Kathryn J. Nelson*

Forest Tax Section Chief
Bureau of Forest Management
Wisconsin Department of Natural Resources

(☎) phone: (608) 266-3545
(☎) fax: (608) 266-8576
() cell phone: (608) 219-3683
(✉) e-mail: Kathryn.Nelson@Wisconsin.gov
(🌐) web: <http://dnr.wi.gov/forestry>

10/15/2009

SECTION 1. 77.82 (11r) of the statutes is created to read:

77.82 (11r) EXTENSION. (a) In this subsection, "weather" means ice, snow, wind, or flooding.

(b) An owner ~~of managed forest land~~ may petition ~~to the department~~ to extend a managed forest land order by an additional 10 years from the date of the expiration of the original order for either an entire parcel of managed forest land, all of an owner's managed forest land within a quarter quarter section, or all of an owner's managed forest land within a government lot or fractional lot as determined by the U.S. government survey plat if all of the following apply to the entire parcel of managed forest land, all of an owner's managed forest land within a quarter quarter section, or all of an owner's managed forest land within a government lot or fractional lot as determined by the U.S. government survey plat for which the extension is applied for:

1. ~~Fifty~~ Thirty percent or more of the acreage ~~merchantable timber on 5 or more contiguous acres of the managed forest land~~ was adversely affected by fire, weather, insects, or disease.
2. The ~~managed forest~~ land was adversely affected by fire, weather, insects, or disease within 15 years before the date of the expiration of the original order.
3. The adverse affect of the fire, weather, insects, or disease caused a reduction of 30 percent or more in stumpage value to the owner to the merchantable timber on the land as verified by an appraisal conducted by the department.

(c) A petition ~~an application~~ under par. (b) shall be accompanied by a nonrefundable \$20 application fee unless a different amount for the fee is established by the department by rule at an amount equal to the average expense to the department of recording an order issued under this subchapter, signed by the owner and a department field forester who certifies that the owner is eligible to apply for the extension. The fee shall be deposited in the conservation fund and credited to the appropriation under s.20.370 (1)

(cr). The petition shall be filed on a department form and shall contain any additional information required by the department. The department may deny a petition ~~an application~~ that meets the requirements under par. (b) only if the owner has failed to comply with the management plan that is in effect on the date that the owner files the petition ~~application~~ for extension or if there are delinquent property or yield taxes on the land. If the application is denied, the department shall state the reason for the denial in writing. If the application is approved, the department shall amend the original managed forest land order and management plan as in s. 77.82 (3) to reflect the extended period of the order. The department shall provide the applicant with a copy of the amended order, shall file a copy of the amended order with the department of revenue and with the assessor and the clerk of each municipality in which the land is located, and shall record the amended order with the register of deeds in each county in which the land is located.

4. The parcel subject to the extension must meet eligibility requirements under 77.82 (1). } ?

 Kathryn J. Nelson

Forest Tax Section Chief

Bureau of Forest Management

Wisconsin Department of Natural Resources

(☎) phone: (608) 266-3545

(☎) fax: (608) 266-8576

() cell phone: (608) 219-3683

(✉) e-mail: Kathryn.Nelson@Wisconsin.gov

(🌐) web: <http://dnr.wi.gov/forestry>

Kite, Robin

From: Wilson, Danielle
Sent: Friday, October 16, 2009 2:16 PM
To: Kite, Robin
Subject: FW: Amendment to SB 296

Hi Robin,

Before starting the amendment, I thought maybe you should read these questions from Larry Konopacki because you may have them too. I haven't received a response yet, but once I do, I will send it your way.

Thanks and sorry again that I was an airhead with my drafting request. ☺

Danielle Wilson
Office of Senator Julie Lassa
P.O. Box 7882
Madison, WI 53707-7882
(608) 266-3123
danielle.wilson@legis.wisconsin.gov

From: Konopacki, Larry
Sent: Friday, October 16, 2009 10:22 AM
To: Williams, Quinn L - DNR; Wilson, Danielle
Subject: FW: Amendment to SB 296

Hi Quinn, can you explain why you are requiring the "carved out" damaged portion of the trees to be delineated using "all of the owners managed forest land within a quarter quarter section" instead of just allowing the owner to do a property description of the effected area? It seems as if a separate property description will be required for the effected tract anyway, and in some circumstances that may have to be by a metes and bounds description. Why not let them all use metes and bounds descriptions so that they can be more precise in carving out the damaged area? This could also allow for a higher damage % for eligibility.

Also, it seems to me that if this bill is to be amended to allow a carve-out, we should talk about how, if at all, these carve-outs can be re-assimilated into the parent MFL tract during the next order term assuming the rest of the land is re-enrolled.

Larry

Larry A. Konopacki
Wisconsin Legislative Council
(608) 267-0683
larry.konopacki@legis.wisconsin.gov

10/16/2009

Kite, Robin

From: Wilson, Danielle
Sent: Friday, October 16, 2009 3:30 PM
To: Kite, Robin
Subject: FW: Amendment to SB 296

Responses from DNR so far. It looks like there may be more coming.

Thanks again,

Danielle Wilson
 Office of Senator Julie Lassa
 P.O. Box 7882
 Madison, WI 53707-7882
 (608) 266-3123
 danielle.wilson@legis.wisconsin.gov

*Per Larry Konopacki -
 He is meeting w/ Quinn Williams -
 Will get back to me w/ some
 revised instructions*

From: Williams, Quinn L - DNR [mailto:Quinn.Williams@Wisconsin.gov]
Sent: Friday, October 16, 2009 2:58 PM
To: Konopacki, Larry
Cc: Williams, Quinn L - DNR; Nelson, Kathryn J - DNR; Mather, Robert J - DNR; Wilson, Danielle
Subject: RE: Amendment to SB 296

Hi Larry,

Good questions, let me see if these answers help:

1) [C]an you explain why you are requiring the "carved out" damaged portion of the trees to be delineated using "all of the owners managed forest land within a quarter quarter section" instead of just allowing the owner to do a property description of the effected area?

Answer - Consistency in following the original legislative purpose in transferring and splitting up orders designated under MFL and ease of administration - the language used above is substantially similar to the Wis. Stat. s. 77.88 (2)(a) sale or transfer requirement, and the Wis. Stat. s. 77.83(1)(a)2. open/closed acreage requirements. When the legislature put those limits in place, they believed that this was the best way to achieve consistency in maintaining contiguous acres in forest, while keeping the administrative burden manageable. Since these are the requirements in place for dividing current MFL orders via sale and transfer (and for open/closed statute), the Department can easily work this into our existing practice and procedure. There will be a separate property description, but under this language it would either not need to be created (all owner's managed forest land within a quarter quarter section - or at the very least done along quarter quarter section lines) or would use quarter quarter section lines as one of the dividing lines using the existing MFL order maps. Another advantage is noted below.

2) It seems as if a separate property description will be required for the effected tract anyway, and in some circumstances that may have to be by a metes and bounds description. Why not let them all use metes and bounds descriptions so that they can be more precise in carving out the damaged area? This could also allow for a higher damage % for eligibility.

Answer - Using metes and bounds descriptions brings up all sorts of difficulties with respect to future contiguity of parcels that are not included in the "extension" order, and for potential landowner cost for surveys and/or sloppy descriptions. This kind of division could result in the unintended consequence of forcing other portions of the owners parcel to no longer be eligible to be re-enrolled in another MFL designation period (splits it down the

10/16/2009

middle, leaving less than 10 acres at 80% productive on one side), deny access (if under open status), and will lead to further fragmentation beyond what (it appears) was intended by the legislature for sales/transfers. While it is certainly attractive to shrink the potential for extended land down even farther by requiring a metes a bounds description, catastrophic events rarely follow straight lines, and if the decision is made that the percent of damage for eligibility is not 100%, they are likely going to be using section lines anyways.

3) Also, it seems to me that if this bill is to be amended to allow a carve-out, we should talk about how, if at all, these carve-outs can be re-assimilated into the parent MFL tract during the next order term assuming the rest of the land is re-enrolled.

Easiest way is, upon the expiration of the catastrophic loss extension to use the current Wis. Stat. s. 77.82(4) and (4g) provisions which state:

"(4) ADDITIONS TO MANAGED FOREST LAND. An owner of land that is designated as managed forest land under an order that takes effect on or after April 28, 2004, may petition the department to designate as managed forest land an additional parcel of land if the additional parcel is at least 3 acres in size and is contiguous to any of that designated land. The petition shall be accompanied by a nonrefundable \$20 application fee unless a different amount for the fee is established by the department by rule at an amount equal to the average expense to the department of recording an order issued under this subchapter. The fee shall be deposited in the conservation fund and credited to the appropriation under s. 20.370

(1) (cr). The petition shall be filed on a department form and shall contain any additional information required by the department.

(4g) DESIGNATION OF ADDITIONAL MANAGED FOREST LAND FOR CERTAIN OWNERS.

(a) If an owner of land that is designated as managed forest land under an order that takes effect before April 28, 2004, wishes to have an additional parcel of land that is at least 10 acres in size and that satisfies the other requirements in sub. (1) designated as managed forest land, the owner may petition the department under sub. (2) for a new order covering the additional land.


(b) If an owner of land that is designated as managed forest land under an order that takes effect before April 28, 2004, wishes to have designated as managed forest land an additional parcel of land that is at least 3 acres in size, that does not satisfy the requirements in sub. (1), and that is contiguous to any of that designated land, the owner may withdraw the designated land from the original order and may petition the department under sub. (2) for a new order covering both the withdrawn land and the additional land.

The withdrawal tax and the withdrawal fee under Wis. Stat. s. 77.88 (5) and (5m) do not apply to a withdrawal under this paragraph."

I suppose we could do some sort of conversion similar to Wis. Stat. s. 77.82(4m), but I don't think it's necessary, since the "catastrophic extension" parcel will expire on 12/31/XX and be enrolled on 1/1/XX + 1 (and why reinvent the wheel)..

I'll bounce your thoughts off of Kathy and Bob.

Sincerely,

 *Quinn L. Williams*

Staff Attorney

Bureau of Legal Services

Wisconsin Department of Natural Resources

(☎) phone: (608) 266-1318

(☎) fax: (608) 266-6983

([icon]) e-mail: quinn.williams@wisconsin.gov

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From: Konopacki, Larry [<mailto:Larry.Konopacki@legis.wisconsin.gov>]
Sent: Friday, October 16, 2009 10:22 AM
To: Williams, Quinn L - DNR; Wilson, Danielle - LEGIS
Subject: FW: Amendment to SB 296

Hi Quinn, can you explain why you are requiring the "carved out" damaged portion of the trees to be delineated using "all of the owners managed forest land within a quarter quarter section" instead of just allowing the owner to do a property description of the effected area? It seems as if a separate property description will be required for the effected tract anyway, and in some circumstances that may have to be by a metes and bounds description. Why not let them all use metes and bounds descriptions so that they can be more precise in carving out the damaged area? This could also allow for a higher damage % for eligibility.

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Larry

Larry A. Konopacki
Wisconsin Legislative Council
(608) 267-0683
larry.konopacki@legis.wisconsin.gov

From: Wilson, Danielle
Sent: Thursday, October 15, 2009 11:52 AM
To: Konopacki, Larry
Subject: FW: Amendment to SB 296

Hi Larry,

Below is the language for the amendment that we requested from Mary. I'm not sure if you want to touch base with her now or if you want to wait until after the amendment is drafted.

I hope your little guy is feeling better!

Danielle Wilson
Office of Senator Julie Lassa

10/16/2009

Kite, Robin

From: Konopacki, Larry
Sent: Thursday, October 22, 2009 1:38 PM
To: Kite, Robin
Cc: Wilson, Danielle
Subject: SB 296 amendment request

Hi Robin,

As we briefly discussed late last week, I have been authorized by the Sen. Lassa office to ask you to amend 2009 SB 296 to accomplish the following:

1. Allow MFL owners to petition the Department for a "catastrophic loss" designation for one or more quarter/quarter/quarter sections (10-acre tracts) of land subject to an MFL order.
2. To be eligible for this designation, a 10-acre tract must have experienced a reduction of 50% or more of its stumpage value due to fire, ice, snow, insects, disease, wind or flooding (catastrophic event).
3. Allow DNR to approve petitions in whole or in part.
4. For an MFL owner to be eligible for the benefits described below, require that 10-acre tracts designated as having had a catastrophic loss make up at least 15% of the land under the order.
5. Allow MFL owners with 10-acre tracts so designated to delay payment of any yield tax associated with those tracts for ten years following the catastrophic event, regardless of whether or not this deferment extends beyond the end of the MFL order or whether the property is re-enrolled in MFL.
(Robin, yield tax is collected when forest products are removed from the land, which happens at various times during the term of an MFL order. After catastrophic events, owners may have to clean up and salvage wood products, which triggers the payment of a yield tax. This is why this deferment is not tied to the end of the term of the order, but to the timing of the catastrophic loss.)
6. Allow MFL owners with 10-acre tracts so designated that experienced the catastrophic loss within 15 years of the expiration of the order in effect at the time of the catastrophic loss, for ten years following the expiration of the order in effect at the time of the catastrophic loss, to continue to be assessed the per-acre yearly tax amount established under the order in effect at the time of the catastrophic loss. This would only apply to property re-enrolled in the MFL program.
7. The other provisions in the original bill related to DNR approval / denial, appraisal, and certification that are not inconsistent with these changes should remain.

Thanks,

Larry

Larry A. Konopacki
Wisconsin Legislative Council
(608) 267-0683
larry.konopacki@legis.wisconsin.gov



PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION
SENATE SUBSTITUTE AMENDMENT ,
TO 2009 SENATE BILL 296

In
10/30

D-Note

x

Gen

- 1 AN ACT ...; **relating to:** the due date for payment of yield taxes on merchantable
2 timber cut on damaged managed forest land and the assessment of payments
3 per acre for damaged managed forest land. ✓

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

- 4 **SECTION 1.** 74.25 (1) (a) 6. of the statutes is amended to read: ✓
5 74.25 (1) (a) 6. Pay to the county treasurer 20% of collections of occupational
6 taxes on coal docks, 20% of collections of the taxes imposed under ss. 77.04 and 77.84
7 (2) (a) and (am) and (2m), ✓ and all collections of payments for closed lands under s.
8 77.84 (2) (b) and (bm) ✓ and (2m)

History: 1987 a. 378; 1989 a. 56, 104; 1991 a. 39; 2001 a. 16; 2003 a. 93, 228; 2005 a. 241, 418; 2007 a. 97.

- 9 **SECTION 2.** 74.25 (1) (a) 8. of the statutes is amended to read: ✓

74.25 (1) (a) 8. Retain for the taxation district all woodland tax law collections under s. 77.16 and 80% of collections of the taxes imposed under ss. 77.04 and 77.84 (2) (a) and (am) and (2m). ✓

History: 1987 a. 378; 1989 a. 56, 104; 1991 a. 39; 2001 a. 16; 2003 a. 33, 228; 2005 a. 241, 418; 2007 a. 97.

SECTION 3. 74.30 (1) (f) of the statutes is amended to read:

74.30 (1) (f) Pay to the county treasurer 20% of collections of occupational taxes on coal docks, 20% of collections of the taxes imposed under ss. 77.04 and 77.84 (2) (a) and (am) and (2m), ✓ and all collections of payments for closed lands under s. 77.84 (2) (b) and (bm) ✓ and (2m).

History: 1987 a. 378; 1991 a. 39; 1995 a. 408; 2001 a. 16; 2003 a. 33, 228; 2005 a. 241, 418; 2007 a. 97.

SECTION 4. 74.30 (1) (h) of the statutes is amended to read:

74.30 (1) (h) Retain for the taxation district all woodland tax law collections under s. 77.16 and 80% of collections of the taxes imposed under ss. 77.04 and 77.84 (2) (a) and (am) and (2m). ✓

History: 1987 a. 378; 1991 a. 39; 1995 a. 408; 2001 a. 16; 2003 a. 33, 228; 2005 a. 241, 418; 2007 a. 97.

SECTION 5. 77.84 (2m) of the statutes is created to read:

77.84 (2m) DAMAGED AREAS. ✓ (a) In this subsection: ✓

1. "Catastrophic damage" has the meaning given in s. 77.87 (3m) (a). ✓

2. "Affected land" means managed forest land that qualifies for an extension of the due date for the payment of yield taxes under s. 77.87 (3m). ✓

(b) Notwithstanding the amounts specified under sub. (2), if the department determines that an owner's managed forest land is affected land, and if that determination is based on catastrophic damage that occurred within the 15 years immediately preceding the expiration of the managed forest land order for the affected land, the owner shall pay the amounts specified in this subsection instead of the amounts specified under sub. (2). ✓

(c) For 10 years following the expiration of the managed forest land order in effect at the time of the catastrophic damage, an owner of managed forest land described under par. (b) shall pay the annual per acre amount established under the order in effect at the time of the catastrophic damage. During the 10-year period described in this paragraph, sub. (2) (c) and (cm) does not apply to the amount that is due and payable under this subsection.

SECTION 6. 77.87 (3) of the statutes is amended to read:

77.87 (3) PAYMENT. ~~4A~~ Except as provided under sub. (3m), a tax assessed under sub. (1) or (2) is due and payable to the department on the last day of the month following the date the certificate is mailed to the owner. The department shall collect interest at the rate of 12% per year on any tax that is paid later than the due date. Amounts received shall be credited to the conservation fund.

History: 1985 a. 29; 1991 a. 39; 2003 a. 228; 2005 a. 64.

SECTION 7. 77.87 (3m) of the statutes is created to read:

77.87 (3m) EXTENSION. (a) In this subsection, "catastrophic damage" means damage to managed forest land caused by ice, snow, wind, or flooding.

(b) An owner of managed forest land may petition the department to extend the due date for the payment of a tax assessed under sub. (1) or (2) if all of the following apply:

1. The tax was assessed for merchantable timber that was cut because of catastrophic damage.

2. The catastrophic damage affected one or more quarter quarter quarter sections of land subject to the owner's managed forest land order.

3. The catastrophic damage caused a 50 or more percent reduction in the stumpage value of the merchantable timber on the managed forest land.

1 4. The land on which the catastrophic damage occurred constitutes at least 15 percent
2 of the land under the owner's managed forest land order.

3 (c) A petition under par. (b) shall be signed by the owner and a department field
4 forester who certifies that the owner is eligible for an extension as provided under
5 par. (b). The department may deny a petition that meets the requirements under par.
6 (b) only if the owner has failed to comply with the management plan that is in effect
7 on the date that the owner files the petition for extension or if there are delinquent
8 property or yield taxes on the land. If the petition is denied, the department shall
9 state the reason for the denial in writing. If the petition is approved, the department
10 shall extend the due date for the payment of taxes assessed under sub. (1) or (2) for
11 a period of 10 years following the date on which the department mails a copy of the
12 certificate of assessment to the owner.

13 SECTION 8. 77.88 (5) (a) 1. of the statutes is amended to read:

14 77.88 (5) (a) 1. An amount equal to the past tax liability multiplied by the
15 number of years the land was designated as managed forest land, less any amounts
16 paid or payable by the owner under ss. 77.84 (2) (a) and (am) and (2m) and 77.87.

History: 1985 a. 29; 1991 a. 39; 1993 a. 16, 131; 1995 a. 27; 1999 a. 150 s. 672; 2003 a. 228; 2005 a. 64, 299.

17 SECTION 9. 77.88 (5) (a) 2. of the statutes is amended to read:

18 77.88 (5) (a) 2. Five percent of the stumpage value of the merchantable timber
19 on the land, less any amounts paid or payable by the owner under ss. 77.84 (2) (a)
20 and (am) and (2m) and 77.87. and less any amounts payable by the owner
under s. 77.87 (3m)

History: 1985 a. 29; 1991 a. 39; 1993 a. 16, 131; 1995 a. 27; 1999 a. 150 s. 672; 2003 a. 228; 2005 a. 64, 299.

21 SECTION 10. 77.88 (5) (ar) 1. of the statutes is amended to read:

22 77.88 (5) (ar) 1. For the portion of the land that is designated as managed forest
23 land under the original order, an amount equal to the product of the total net
24 property tax rate in the municipality in the year prior to the year in which the

expanded order is approved and the assessed value of the land for the same year, as computed by the department of revenue, multiplied by the number of years under the original order, less any amounts paid or payable by the owner under ss. 77.84 (2) (a) and (2m) and 77.87 during the time the land was designated as managed forest land under the original order.

History: 1985 a. 29; 1991 a. 39; 1993 a. 16, 131; 1995 a. 27; 1999 a. 150 s. 672; 2003 a. 228; 2005 a. 64, 299.

SECTION 11. 77.88 (5) (ar) 2. of the statutes is amended to read:

77.88 (5) (ar) 2. An amount equal to the product of the total net property tax rate in the municipality in the year prior to this withdrawal and the assessed value of the land for the same year, as computed by the department of revenue, multiplied by the number of years the land was designated as land under the expanded order, less any amounts paid or payable by the owner under ss. 77.84 (2) (am) and (2m) and 77.87 during the time the land is designated as managed forest land under the expanded order.

History: 1985 a. 29; 1991 a. 39; 1993 a. 16, 131; 1995 a. 27; 1999 a. 150 s. 672; 2003 a. 228; 2005 a. 64, 299.

SECTION 12. 77.88 (5) (b) 1. of the statutes is amended to read:

77.88 (5) (b) 1. An amount equal to the past tax liability multiplied by the number of years since the renewal, less any amounts paid or payable by the owner under ss. 77.84 (2) (a) and (am) and (2m) and 77.87. and less any amounts payable by the owner under s. 77.87 (3m)

History: 1985 a. 29; 1991 a. 39; 1993 a. 16, 131; 1995 a. 27; 1999 a. 150 s. 672; 2003 a. 228; 2005 a. 64, 299.

SECTION 13. 77.88 (5) (b) 2. of the statutes is amended to read:

77.88 (5) (b) 2. Five percent of the stumpage value of the merchantable timber on the land, less any amounts paid or payable by the owner under ss. 77.84 (2) (a) and (am) and (2m) and 77.87.

History: 1985 a. 29; 1991 a. 39; 1993 a. 16, 131; 1995 a. 27; 1999 a. 150 s. 672; 2003 a. 228; 2005 a. 64, 299.

SECTION 14. 77.89 (2) (a) of the statutes is amended to read:

and less any amounts payable by the owner under s. 77.87 (3m)

← score

77.89 (2) (a) Each municipal treasurer shall pay 20% of each payment received under sub. (1) and under ss. 77.84 (2) (a) and (am) and (2m), 77.85, and 77.876 to the county treasurer and shall deposit the remainder in the municipal treasury. The payment to the county treasurer for money received before November 1 of any year shall be made on or before the November 15 after its receipt. For money received on or after November 1 of any year, the payment to the county treasurer shall be made on or before November 15 of the following year.

History: 1985 a. 29; 1987 a. 378; 1991 a. 39; 1995 a. 27; 2003 a. 228, 327; 2005 a. 253, 299; 2007 a. 20.

SECTION 15. Initial applicability.

(1) This act first applies to catastrophic damage to managed forest land that occurs on the effective date of this subsection.

(END)

d-note
↓

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

date

PI
LRBs0163/3dn

RNK: ↑ :...

JL

I have prepared this draft in preliminary form to facilitate any necessary redrafting.
Please review the draft closely to ensure that it meets your intent. ✓

Feel free to contact me if you have any questions with regard to this draft. ✓

Robin N. Kite
Legislative Attorney
Phone: (608) 266-7291
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**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRBs0163/P1dn
RNK:jld:jf

November 16, 2009

I have prepared this draft in preliminary form to facilitate any necessary redrafting. Please review the draft closely to ensure that it meets your intent.

Feel free to contact me if you have any questions with regard to this draft.

Robin N. Kite
Legislative Attorney
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Kite, Robin

From: Konopacki, Larry
Sent: Tuesday, November 24, 2009 10:43 AM
To: Kite, Robin
Cc: Wilson, Danielle
Subject: LRB s0163/P1 (SB 296)

Hi Robin, LRB s0163/P1 looks great. I have a few minor suggestions for changes that I'd like to talk to you about, and have Danielle Wilson's permission to share them with you. I'll outline them below and then catch up with you to discuss.

- ✓1. On page 3, lines 1-6: Would it add clarity to begin this paragraph with something to the effect of: "If managed forest land described under par. (b) is subject to a subsequent managed forest land order, for 10 years following....." I am not sure that this addition is necessary because the land wouldn't be considered "managed forest land" if it wasn't re-enrolled, but I did get a suggestion from someone else in this office that the relationship between (c) and (b) could be clearer.
- ✓2. Do you think that it would improve clarity to also add the phrase "Except as provided under sub. (3m)," to the beginning of the sentence that starts on page 3, line 10? Otherwise, that second sentence could be read to require interest payments on the yield tax deferral authorized by this bill. Again, probably not technically necessary because the "due date" would be later, but this may help to avoid confusion.
- ✓3. Please add "fire" to the list of forces that can cause catastrophic damage (page 3, line 15).
- ✓4. Please remove page 3 lines 19 and 20.
- ✓5. Please change "quarter-quarter sections" to "quarter-quarter-quarter sections" on page 3, line 21.
- ✓6. On page 3, line 24, please replace "on the managed forest land" with "on each affected quarter-quarter-quarter section or sections."
- ✓7. On page 4, line 1, please replace "The land" with "The affected quarter-quarter-quarter section or sections"

Thanks!

Larry

Larry A. Konopacki
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larry.konopacki@legis.wisconsin.gov



State of Wisconsin
2009 - 2010 LEGISLATURE

LRBs0163/P1
RNK&JK:jld:jf

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION
SENATE SUBSTITUTE AMENDMENT ,
TO 2009 SENATE BILL 296

D-Note

In 11/30

Regen

✓ 1 **AN ACT to amend** 74.25 (1) (a) 6., 74.25 (1) (a) 8., 74.30 (1) (f), 74.30 (1) (h), 77.87
2 (3), 77.88 (5) (a) 1., 77.88 (5) (a) 2., 77.88 (5) (ar) 1., 77.88 (5) (ar) 2., 77.88 (5)
3 (b) 1., 77.88 (5) (b) 2. and 77.89 (2) (a); and **to create** 77.84 (2m) and 77.87 (3m)
4 of the statutes; **relating to:** the due date for payment of yield taxes on
5 merchantable timber cut on damaged managed forest land and the assessment
6 of payments per acre for damaged managed forest land. ✓

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

7 **SECTION 1.** 74.25 (1) (a) 6. of the statutes is amended to read:
8 74.25 (1) (a) 6. Pay to the county treasurer 20% of collections of occupational
9 taxes on coal docks, 20% of collections of the taxes imposed under ss. 77.04 and 77.84
10 (2) (a) and (am) and (2m), and all collections of payments for closed lands under s.
11 77.84 (2) (b) and (bm) and (2m).

1 **SECTION 2.** 74.25 (1) (a) 8. of the statutes is amended to read:

2 74.25 (1) (a) 8. Retain for the taxation district all woodland tax law collections
3 under s. 77.16 and 80% of collections of the taxes imposed under ss. 77.04 and 77.84
4 (2) (a) and (am) and (2m).

5 **SECTION 3.** 74.30 (1) (f) of the statutes is amended to read:

6 74.30 (1) (f) Pay to the county treasurer 20% of collections of occupational taxes
7 on coal docks, 20% of collections of the taxes imposed under ss. 77.04 and 77.84 (2)
8 (a) and (am) and (2m), and all collections of payments for closed lands under s. 77.84
9 (2) (b) and (bm) and (2m).

10 **SECTION 4.** 74.30 (1) (h) of the statutes is amended to read:

11 74.30 (1) (h) Retain for the taxation district all woodland tax law collections
12 under s. 77.16 and 80% of collections of the taxes imposed under ss. 77.04 and 77.84
13 (2) (a) and (am) and (2m).

14 **SECTION 5.** 77.84 (2m) of the statutes is created to read:

15 77.84 (2m) DAMAGED AREAS. (a) In this subsection:

16 1. "Affected land" means managed forest land that qualifies for an extension
17 of the due date for the payment of yield taxes under s. 77.87 (3m).

18 2. "Catastrophic damage" has the meaning given in s. 77.87 (3m) (a).

19 (b) Notwithstanding the amounts specified under sub. (2), if the department
20 determines that an owner's managed forest land is affected land, and if that
21 determination is based on catastrophic damage that occurred within the 15 years
22 immediately preceding the expiration of the managed forest land order for the
23 affected land, the owner shall pay the amounts specified in this subsection instead
24 of the amounts specified under sub. (2).

provided ~~that~~ the managed forest land continues to be subject to a managed forest land order

(c) For 10 years following the expiration of the managed forest land order in effect at the time of the catastrophic damage, an owner of managed forest land described under par. (b) shall pay the annual per acre amount established under the order in effect at the time of the catastrophic damage. During the 10-year period described in this paragraph, sub. (2) (c) and (cm) does not apply to the amount that is due and payable under this subsection.

SECTION 6. 77.87 (3) of the statutes is amended to read:

77.87 (3) PAYMENT. ~~A~~ Except as provided under sub. (3m), a tax assessed under sub. (1) or (2) is due and payable to the department on the last day of the month following the date the certificate is mailed to the owner. The department shall collect interest at the rate of 12% per year on any tax that is paid later than the ^{applicable} due date. Amounts received shall be credited to the conservation fund.

under this subsection
or sub. (3m) (c) ✓

SECTION 7. 77.87 (3m) of the statutes is created to read:

77.87 (3m) EXTENSION. (a) In this subsection, "catastrophic damage" means damage to managed forest land caused by ^{fire,} ice, snow, wind, or flooding. ✓

(b) An owner of managed forest land may petition the department to extend the due date for the payment of a tax assessed under sub. (1) or (2) if all of the following apply:

1. ~~The tax was assessed for merchantable timber that was cut because of catastrophic damage.~~

2. ~~The catastrophic damage affected one or more~~ ^{quarter-} quarter-quarter sections of land subject to the owner's managed forest land order. ✓

on which catastrophic damage occurred

3. ~~The catastrophic damage caused a 50 percent or more reduction in the stumpage value of the merchantable timber on~~ the managed forest land.

each quarter-quarter-quarter section of

3. quarter-quarter-quarter sections of
① 4. The land on which the catastrophic damage occurred constitutes at least 15
2 percent of the land under the owner's managed forest land order. ✓

3 (c) A petition under par. (b) shall be signed by the owner and a department field
4 forester who certifies that the owner is eligible for an extension as provided under
5 par. (b). ✓ The department may deny a petition that meets the requirements under par.
6 (b) ✓ only if the owner has failed to comply with the management plan that is in effect
7 on the date that the owner files the petition for extension or if there are delinquent
8 property or yield taxes on the land. If the petition is denied, the department shall
9 state the reason for the denial in writing. If the petition is approved, the department
10 shall extend the due date for the payment of taxes assessed under sub. (1) or (2) for
11 a period of 10 years following the date on which the department mails a copy of the
12 certificate of assessment to the owner.

13 **SECTION 8.** 77.88 (5) (a) 1. of the statutes is amended to read:

14 77.88 (5) (a) 1. An amount equal to the past tax liability multiplied by the
15 number of years the land was designated as managed forest land, less any amounts
16 paid by the owner under ss. 77.84 (2) (a) and (am) and (2m) and 77.87 and less any
17 amounts payable by the owner under s. 77.87 (3m). ✓

18 **SECTION 9.** 77.88 (5) (a) 2. of the statutes is amended to read:

19 77.88 (5) (a) 2. Five percent of the stumpage value of the merchantable timber
20 on the land, less any amounts paid by the owner under ss. 77.84 (2) (a) and (am) and
21 (2m) and 77.87 and less any amounts payable by the owner under s. 77.87 (3m). ✓

22 **SECTION 10.** 77.88 (5) (ar) 1. of the statutes is amended to read:

23 77.88 (5) (ar) 1. For the portion of the land that is designated as managed forest
24 land under the original order, an amount equal to the product of the total net
25 property tax rate in the municipality in the year prior to the year in which the

1 expanded order is approved and the assessed value of the land for the same year, as
2 computed by the department of revenue, multiplied by the number of years under the
3 original order, less any amounts paid by the owner under ss. 77.84 (2) (a) and (2m)
4 and 77.87, and less any amounts payable by the owner under s. 77.87 (3m), during
5 the time the land was designated as managed forest land under the original order.

6 **SECTION 11.** 77.88 (5) (ar) 2. of the statutes is amended to read:

7 77.88 (5) (ar) 2. An amount equal to the product of the total net property tax
8 rate in the municipality in the year prior to this withdrawal and the assessed value
9 of the land for the same year, as computed by the department of revenue, multiplied
10 by the number of years the land was designated as land under the expanded order,
11 less any amounts paid by the owner under ss. 77.84 (2) (am) and (2m) and 77.87, and
12 less any amounts payable by the owner under s. 77.87 (3m), during the time the land
13 is designated as managed forest land under the expanded order.

14 **SECTION 12.** 77.88 (5) (b) 1. of the statutes is amended to read:

15 77.88 (5) (b) 1. An amount equal to the past tax liability multiplied by the
16 number of years since the renewal, less any amounts paid by the owner under ss.
17 77.84 (2) (a) and (am) and (2m) and 77.87 and less any amounts payable by the owner
18 under s. 77.87 (3m).

19 **SECTION 13.** 77.88 (5) (b) 2. of the statutes is amended to read:

20 77.88 (5) (b) 2. Five percent of the stumpage value of the merchantable timber
21 on the land, less any amounts paid by the owner under ss. 77.84 (2) (a) and (am) and
22 (2m) and 77.87 and less any amounts payable by the owner under s. 77.87 (3m).

23 **SECTION 14.** 77.89 (2) (a) of the statutes is amended to read:

24 77.89 (2) (a) Each municipal treasurer shall pay 20% of each payment received
25 under sub. (1) and under ss. 77.84 (2) (a) and (am) and (2m), 77.85, and 77.876 to the

1 county treasurer and shall deposit the remainder in the municipal treasury. The
2 payment to the county treasurer for money received before November 1 of any year
3 shall be made on or before the November 15 after its receipt. For money received on
4 or after November 1 of any year, the payment to the county treasurer shall be made
5 on or before November 15 of the following year.

6 **SECTION 15. Initial applicability.**

7 (1) This act first applies to catastrophic damage to managed forest land that
8 occurs on the effective date of this subsection.

9 (END)

d-note
↓

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBs0163/P2dn

RNK: ↑:...

date

jld

This redraft reflects changes requested by Legislative Council attorney, Larry Konopacki. This redraft uses some language that varies slightly from the language suggested by Larry so please review the draft closely to ensure that it fully captures your intent. This redraft is still in preliminary form to facilitate any further redrafting that might be necessary.

Please feel free to contact me if you have any questions with regard to this draft.

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**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRBs0163/P2dn
RNK:jld:jf

December 1, 2009

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